



**Insurance Commissioner  
Department No. 401  
2025 House Bill No. 1010**

**EXECUTIVE BUDGET RECOMMENDATION  
2025-27 BIENNIUM**

**Budget Summary**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
Executive budget recommendation	<b>49.00</b>	<b>\$0</b>	<b>\$17,926,137</b>	<b>\$17,926,137</b>
Base level	47.00	0	15,783,893	15,783,893
Increase (decrease)	2.00	\$0	\$2,142,244	\$2,142,244
Percentage increase (decrease)	4.3%	N/A	13.6%	13.6%

**NOTE:**

More detailed information on the executive budget recommendation is attached as Appendix A.

A copy of the draft appropriations bill reflecting the executive budget recommendation is attached as Appendix B.

**Selected Highlights**

- Salary increases of up to 4 percent effective July 1, 2025, and 3 percent effective July 1, 2026
- Health insurance increase of \$250 per month (15.2 percent), from \$1,643 to \$1,893 per employee
- Adds \$644,746 from special funds to replace the 2023-25 new and vacant FTE funding pool
- Adds \$54,018 from special funds for information technology rate increases
- Provides \$463,652 from special funds to add 1.00 FTE attorney position and 1.00 FTE company licensing position
- Adds \$90,000 of **one-time funding** from special funds for equipment
- Provides for a dedicated funding source for the State Fire Marshall's office from insurance premium tax revenue

**Deficiency Appropriations**

There are no deficiency appropriations for this agency.

**Significant Audit Findings**

There are no significant audit findings for this agency.

**Agency Fees**

As reported to the Legislative Management, pursuant to North Dakota Century Code Section 54-35-27, this agency has 52 fees. The agency did not recommend to the Legislative Management any changes to the fees.

**Major Related Legislation**

**House Bill No. 1026** - Transfers the administration of the state bonding fund to the Office of Management and Budget.

**House Bill No. 1027** - Transfers the administration of the state fire and tornado fund to the Office of Management and Budget.

**House Bill No. 1123** - Increases certain fees by the Insurance Commissioner.

**NOTE:**

Please see the Fiscal Impact Report for additional information regarding bills under consideration which contain either a state revenue impact, an appropriation, or a state fiscal impact.



**Insurance Commissioner - Budget No. 401  
Agency Worksheet - House Bill No. 1010**

	Executive Budget			
	FTE Positions	General Fund	Other Funds	Total
<b>2025-27 Biennium Base Level</b>	47.00	\$0	\$15,783,893	\$15,783,893
<b>2025-27 Ongoing Funding Changes</b>				
Adjust funding for salaries for cost to continue			\$36,757	\$36,757
Salary increase			556,812	556,812
Health insurance increase			294,259	294,259
Adds funding to replace 2023-25 new FTE pool			407,380	407,380
Adds funding to replace 2023-25 vacant FTE pool			237,366	237,366
Add 1 FTE Professional services position	1.00		263,238	263,238
Add 1 FTE Analyst IV position	1.00		200,414	200,414
Transfer \$83,497 from operating to salaries				0
Add funding for ITD rate increases			54,018	54,018
<b>Total ongoing funding changes</b>	<b>2.00</b>	<b>\$0</b>	<b>\$2,050,244</b>	<b>\$2,050,244</b>
<b>One-Time Funding Items</b>				
One-time FTE cost			\$2,000	\$2,000
Equipment including radios and an x-ray machine			90,000	90,000
<b>Total one-time funding changes</b>	<b>0.00</b>	<b>\$0</b>	<b>\$92,000</b>	<b>\$92,000</b>
<b>Total Changes to Base Level Funding</b>	<b>2.00</b>	<b>\$0</b>	<b>\$2,142,244</b>	<b>\$2,142,244</b>
<b>2025-27 Total Funding</b>	<b>49.00</b>	<b>\$0</b>	<b>\$17,926,137</b>	<b>\$17,926,137</b>

Federal funds included in other funds

\$728,516

Total ongoing changes - Percentage of base level

4.3%

N/A

13.0%

13.0%

Total changes - Percentage of base level

4.3%

N/A

13.6%

13.6%

**Other Sections in Insurance Commissioner - Budget No. 401**

Section Description	Executive Budget
Additional income	Section 3 appropriates any additional federal funds that become available to the Insurance Commissioner for the 2025-27 biennium.
Insurance Commissioner salary	Section 5 increases the annual salary of the commissioner by 4 percent in the 1st year of the biennium and 3 percent in the 2nd year of the biennium.
Fire Marshal operating fund	Section 6 creates a special fund designated as the fire marshal operating fund with revenue from insurance premium tax revenue.
Exemption - FTE positions	Section 7 authorizes the insurance commissioner to increase or decrease authorized FTE positions as needed, subject to availability of funds during the biennium, and to report any adjustments to the Office of Management and Budget.

Sixty-ninth  
Legislative Assembly  
of North Dakota

**HOUSE BILL NO.1010**  
**(Governor's Recommendation)**

Introduced by

Appropriations Committee

(At the request of the Governor)

A bill for an Act to provide an appropriation for defraying the expenses of the insurance commissioner; to provide an exemption; to enact a new section of North Dakota Century Code; to amend and reenact section 26.1-01-09 of the North Dakota Century Code, relating to the commissioner's salary; and to provide for a report to the legislature.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from federal funds and other income to the insurance commissioner for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2025 and ending June 30, 2027, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and Wages	\$10,746,226	\$2,068,015	\$ 12,814,241
Operating Expenses	2,637,667	(15,771)	2,621,896
Capital Assets	0	90,000	90,000
Grants	<u>2,400,000</u>	<u>0</u>	<u>2,400,000</u>
Total Special Funds	\$15,783,893	\$2,142,244	\$17,926,137
Full-time Equivalent Positions	47.00	2.00	49.00

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-eighth legislative assembly for the 2023-25 biennium and the 2025-27 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2023-25</u>	<u>2025-27</u>
Retirement payouts	\$98,300	\$0
Office remodel	75,000	0
State fire marshal equipment	72,540	0
New full time equivalent operating	0	2,000
Equipment	<u>0</u>	<u>90,000</u>
Total Special Funds	\$245,840	\$92,000

The 2025-27 one-time funding amounts are not a part of the entity's base budget for the 2027-29 biennium. The insurance commissioner shall report to the appropriations committees of the seventieth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2025, and ending June 30, 2027.

**SECTION 3. ADDITIONAL INCOME – APPROPRIATION - REPORTING.** In addition to the amounts appropriated in section 1 of this act, any federal funds that become available are appropriated to the insurance commissioner for the biennium beginning July 1, 2025, and ending June 30, 2027. The insurance commissioner shall report any additional federal funds under this section to the office of management and budget and the legislative council.

**SECTION 5. AMENDMENT.** Section 26.1-01-09 of the North Dakota Century Code is amended and reenacted as follows:

**26.1-01-09. Salary of commissioner.**

The annual salary of the commissioner is one hundred ~~thirty~~ forty thousand ~~two~~ six hundred and eight dollars through June 30, 2026, and one hundred ~~thirty-five~~ forty-four thousand ~~two~~ eight hundred twenty-six dollars thereafter.

**SECTION 6.** A new section to chapter 18-01 is created and enacted as follows:

**Fire Marshals Operating Fund.** There is hereby created a special fund in the state treasury designated “fire marshal operating fund”. Notwithstanding any other provision of law, a portion of the revenue provided in section 23.1-03-17 may be deposited in the fund not to exceed one fiscal year of legislative appropriation or as much needed for operation of the state fire marshal department. Any funds remaining unspent in the fund at the end of the fiscal year may be retained in the fund for future use subject to legislative appropriation.

**SECTION 7. TRANSFER - EXEMPTION - FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.**

Notwithstanding any other provisions of law, the insurance commissioner may increase or decrease authorized full-time equivalent positions as needed, subject to availability of funds, during the biennium beginning July 1, 2025, and ending June 30, 2027. The insurance commissioner shall report to the office of management and budget and legislative council any adjustments made pursuant to this section.